

**STATE OF MICHIGAN**  
**DEPARTMENT OF LABOR & ECONOMIC GROWTH**  
**OFFICE OF FINANCIAL AND INSURANCE SERVICES**  
**Before the Commissioner of the Office of Financial and Insurance Services**

**In the matter of**

**Angela K. Swain-Jones**  
**License No. 38-237219**

**Enforcement Case No. 05-2992**

\_\_\_\_\_ /

**Issued and entered**  
**this 1st day of March, 2006**  
**by Linda A. Watters**  
**Commissioner**

**CONSENT ORDER**

**I.**  
**FINDINGS OF FACT**

1. At all pertinent times, Angela K. Swain-Jones, License No. XXXXXXXXXX (Respondent), was a licensed resident producer in the State of Michigan.
2. As a producer, Respondent knew or had reason to know that Michigan Insurance Code requires producers to be a fiduciary for all monies received in their capacity as an agent and to use reasonable accounting methods to record funds received in her capacity as a producer.

**COUNT I**

3. On February 20, 2004, Respondent failed to remit \$80.00 received from XXXXXXXXXXXXXXXXXXXX to QBE for an endorsement on an automobile policy.
4. Respondent remitted the \$80 only when advised by QBE Insurance Corp (QBE).
5. That by this action, Respondent violated the Michigan Insurance Code.

**COUNT II**

6. Respondent failed to remit the full \$133.00 received from XXXXXXXXXXXXX to QBE for a certificate of no-fault insurance.
7. Respondent remitted only \$130.00 and remitted the remaining \$3 on November 19, 2004.
8. That by this action, Respondent violated the Michigan Insurance Code.

**COUNT III**

9. On July 9, 2004, Respondent submitted a non-sufficient funds check (NSF) to QBE in the amount of \$632.00 (check no. 2651).
10. On July 28, 2004, Respondent submitted a non-sufficient funds check (NSF) to QBE in the amount of \$167.00 (check no. 5226).

**COUNT IV**

11. On or About April 23, 2005, XXXXXXXXXXXXXXXXXXXX (Insured) completed an application for a Michigan Basic policy homeowners insurance covering April 2004 – April 2005 (Application) with Respondent's Insurance company.
12. Insured signed the declaration page for the Application covering April 2004 – April 2005 but did not receive a copy of the declaration page.
13. Respondent failed forward the Application to MBPIA in a timely manner.
14. Respondent forwarded the Application in or about July 2004, three months later, leaving the Insured without coverage during that time.
15. On or about April 23, 2003 Respondent failed to remit the full \$518.00 received from the Insured for the Michigan Basic policy; Respondent only remitted \$250.00.
16. Because of these actions the Insured cancelled their policy with Respondent.
17. That the matters set forth above were caused by Respondent's inexperience as a producer and by poor record keeping and did not reflect dishonesty or the intention to misappropriate fiduciary funds. Respondent with the assistance of OFIS staff has established a reasonable accounting system to record funds

received and disbursed in her capacity as a producer. Further, Respondent has completed a business management course to assist her in properly managing her agency.

18. Respondent has either placed all the above coverages as applied for or at the consumer's option has refunded monies to all consumers who have chosen to receive a refund in lieu of coverage.

## **II**

### **CONCLUSIONS OF LAW**

Based upon a review of applicable laws, it is concluded that:

By failing to remit monies held in a fiduciary capacity in a timely matter to the insurer to which it was owed and by failing to maintain reasonable accounting methods to record funds received from consumers, Respondents violated sections 1207(1) and 1207(2) of the Code.

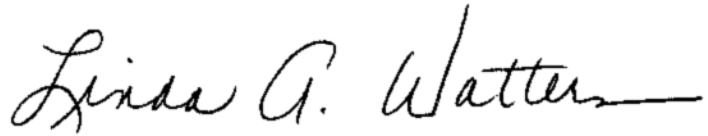
## **III**

### **ORDER**

Therefore, it is ORDERED that:

1. Respondents shall cease and desist from violating sections 1207(1) and 1207(2) of the Michigan Insurance Code.
2. Respondent shall take all steps necessary to establish and maintain agency books and records in a manner that clearly identifies receipts and expenditures on a customer- and insurer-account basis so that all monies received and held in a fiduciary capacity are clearly identified with the affected account, customer, and insurer.
3. Respondent shall take all steps necessary to establish procedures under which all checks received from insureds as payment of insurance premiums shall, prior to deposit, reflect the insurer name and policy number of the policy(s) for which payment is being tendered.

4. Respondent shall pay to the State of Michigan through the Office of Financial and Insurance Services a civil fine in the amount of three hundred dollars (\$300.00).  
The fine shall be due within thirty (30) days of entry of this Order.

A handwritten signature in black ink, reading "Linda A. Watters", followed by a horizontal line.

---

**Linda A. Watters,**  
**Commissioner**